



Waste Management
ENVIRONMENTAL QUALITY

PAT MCCRORY
Governor

DONALD R. VAN DER VAART
Secretary

MICHAEL SCOTT
Director

July 21, 2016

Sent Via USPS and email

Jason Queen
Transfer Development Company, LLC
207 Fayetteville Street, Suite 200
Raleigh, NC 27601
jqueenone@gmail.com

Subject: Letter of Eligibility
Stone's Warehouse
500/510 East Davie St, 400 Chavis Way, 419 S East St
Raleigh, Wake County
Brownfields Project Number 20044-16-092

Dear Mr. Queen:

The North Carolina Department of Environmental Quality (DEQ) has received and reviewed your June 16, 2016 Brownfields Property Application (BPA) submitted by Transfer Development Company, LLC as a Prospective Developer seeking a brownfields agreement regarding the subject site. Upon review of the BPA with respect to the requirements of the Brownfields Property Reuse Act of 1997, DEQ has determined that this project is eligible for entry into the North Carolina Brownfields Program (NCBP) and for continued evaluation for a Brownfields Agreement (BFA).

The next step in the BFA process will involve a detailed review of available environmental and other relevant data to determine what is currently known about contamination at the site, and what, if any, information gaps may exist that may require additional assessment. We are in receipt of the following documents submitted with your BPA:

<i>Title</i>	<i>Prepared By</i>	<i>Date of Report</i>
Phase I ESA, 500 E Davie St	Hart & Hickman	May 22, 2006
Brownfield Phase II Site Assessment Report, 500 E Davie St	Hart & Hickman	March 2, 2007
Analysis of Brownfield Cleanup Alternatives, 500 E Davie St	Hart & Hickman	Sept. 20, 2007
Notice of No Further Action, 500 E Davie St	NCDENR	August 6, 2009
National Register of Historic Places – Carolina Coach Garage and Shop	NC State Historic Preservation Office	August 27, 2009
Request for Proposals – Stone's Warehouse Site	City of Raleigh Community Development Department	August 5, 2014

If available, historical site information from the files of DEQ's Division of Waste Management will also be utilized during the evaluation process. Please forward any additional information or data you may have or can acquire for our evaluation. This should include reports from other DEQ agencies or regional offices. We will contact you regarding any additional assessment that may be necessary to establish that the property is or can be made suitable for the intended reuse, as required by statute.

According to the BPA, the intended redevelopment for the site is mixed use to include a community courtyard, food production spaces, grocery stores, and an urban housing component likely to consist of 16 townhouse units. Because risk management decisions may vary depending on the nature of the redevelopment, it will be important that DEQ review the locations of the various elements. Please forward any maps or drawings indicating these details, even if they are only preliminary or conceptual.

Please note: pending execution of a final BFA, NCBP eligibility is provisional. The protections a BFA offers the Prospective Developer are *not in effect*, unless and until, the BFA is executed. If you occupy the property or operate or conduct activities at the site that result in a release of regulated substances before a BFA has been finalized for the property, you may be considered to have caused or contributed to contamination at the property. Because an entity that could be considered to have caused or contributed to contamination at the property cannot be a Prospective Developer under the Act, your eligibility for participation in the NCBP would be placed in jeopardy. Consult closely with your Project Manager regarding any planned site activities prior to agreement finalization. You are cautioned to conduct all such operations and activities at the site with great care not to cause a release of regulated substances at the property that could jeopardize your eligibility for participation in the NCBP.

If a party other than Transfer Development Company, LLC will own the Brownfields Property at the conclusion of the brownfields process, the final document (which gets recorded at the register of deeds' office) must be signed not only by Prospective Developer, but by that owner. Failure by the Prospective Developer to ensure, by the time the BFA negotiations are complete, the willingness to sign of any such party, and to provide DEQ the exact name, email address, telephone number, and US mail address of the party (along with the signatory/signatory's title in the case of an entity) will delay, and could prevent, the BFA taking effect.

We are very excited about the potential for public benefit and community revitalization offered by the reuse of the Stone's Warehouse site, and look forward to working with you to advance this brownfields redevelopment project. If you have questions about this correspondence or require additional information, please feel free to contact the project manager Lebeed Kady by phone at 919-707-8378 or by e-mail at Lebeed.Kady@ncdenr.gov.

Sincerely,



Bruce Nicholson
Brownfields Program Manager

ec: Central Files, DEQ
Michael E. Scott, DEQ
Lebeed Kady, DEQ